REMARKS

This Amendment is being filed in response to the Final Office Action dated May 14, 2010. In the Office Action, Claims 11-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over *Thukral* (US Patent Application Publication No. 2006/0195866), in view of in view of *Blasko et al.* (US Patent Application Publication No. 2002/0083444), in view of *Sgaraglino* (US Patent Application Publication No. 2003/0229893), and further in view of *Drake* (US Patent Application Publication No. 2002/0078441), in view of *Ogawa* (US Patent Application Publication 2002/0016972). Upon careful review of the Office Action, the Applicants respectfully disagree with the rejection.

Before turning to the prior art rejection, it should be noted that claim 17 has already specified that the Intelligent Control Unit (2), at the commercial time during the television program, replaces the localized and personalized Ads stored within itself for the original Ads for the television program and then present the same to the viewers. This is a key feature of the present invention, and none of the cited references provides a similar feature. With this system, original Ads are replaced with localized and personalized Ads, while the general television programs are being broadcast. In this way, the Ad center (1) can be an organization independent from the television station, which, meanwhile, makes commercial profits by way of transmitting the localized and personalized Ads to the television viewers via Intelligent Control Unit (2). The prior art does not suggest a system capable of providing a similar function. The cited paragraph [0083] of *Thukral* simply mentions software and stored data to implement embodiments of "television system targeted advertising." There is no mention of detecting TV commercial times for showing personalized and localized ads based on an ad schedule generated by the ad decision support unit (2-1) through a pre-configured ad channel or the current program channel, as recited in claim 17.

The present invention also differs from the references in that the Intelligent Control Unit (2) is disposed at the television viewer's end, while all the localized and personalized Ads are stored within the Ad repository Unit (2-2). A part of the decision-making power for running an Ad is in the hands of the television viewer. Therefore, even if the Intelligent Control Unit (2) is in an off-line status thus unable to communicate with the Ad center (1), Intelligent Control Unit (2) also can be executed independently and is able to play the Ads stored therein. By contrast, the Ads, as provided in the references, are stored within the servers and are transmitted to the television viewers via network; thus, it is upon the server that decides the playing of the Ads, while the television viewer has no say in this regard. In case the television viewer is in an off-line status and unable to communicate with the server, it is impossible to present the Ads to the television viewer. In short, the technical feature as such makes the system provided in present invention less dependent on the network and, moreover, even able to store the localized and personalized Ads into the Intelligent Control Unit (2) in advance, thereby allowing the Intelligent Control Unit (2) to run independently from Ad center (1).

From a conceptual perspective, *Thukral* and the application both relate to a targeted advertising system and method applicable to television systems. However, the invention does disclose significant differences, improvements, and unexpected results over the cited prior art.

There are also methods and system components claimed in the application that are missing from *Thukral*. For example: user repository system, user analytics and searches, ad center, software and firmware updates, user preference setup, ad delivery selection and decision support, ad follow-up, and event-based triggering. These missing elements are integral pieces of the claimed system and methods that yield surprising and unexpected results as compared with the prior art.

Even though *Ogawa*, *Blasko*, *Drake* and *Sgaraglino* disclose certain method or system elements that may individually perform one or two of the above claimed method or system elements as the ones cited missing from *Thukral*, Applicants maintain that simply adding selected features from *Ogawa*, *Blasko*, *Drake*, and *Sgaraglino* together with *Thukral* does not produce the uniform process and system claimed in the application, which consists of unique and innovative integration of certain elements to yield improved and unexpected TV Ad delivery that is personalized and localized. In the following comments, the Applicants shall detail the differences, improvements or uniqueness between the claims in the application vs. the ones cited in the rejection note as prior art or obvious combination of prior art from *Thukral*, *Ogawa*, *Blasko*, *Drake*, and *Sgaraglino*.

Regarding claim 11, the claimed system consists of two unique and innovative elements: Intelligent Control Module (ICM) and Ad Center, with ICM interfacing with an A/V display and the Ad Center for user interactions (search and follow-up) and personalized and localized ad content delivered by either ICM or Ad Center based on personal and local attributes, search and follow-up requests, user preferences (further elaborated in claim 17), and other criteria.

The system disclosed by *Thukral* (claim 1), however, consists of TV-based systems for displaying ad content (like an A/V display), a device monitor for real-time state info like on/off state and TV tuning configuration, and an ad manager to initiate ad content delivery. *Thukral* further states that the device manager is also used to record ad-content delivery statistics via in-band and out-band communication links (claims 2, 3 and 4), and the ad manager has various ways to communicate with the TV-based system and its associated client devices (claims 5 to 9). *Thukral* further discloses a method (claim 11 and 12-20) for targeted ad content delivery based on real-time state of TV-based systems, a request from the client device (claim 19), and various monitoring and recording of delivery statistics.

With the above analysis of the system disclosed by *Thukral*, there is no similarity in *Thukral's* system to the ICM element claimed by the Applicants, which is a client or user-side component further elaborated in claim 17 with unique features not found in *Thukral's* reference of client device (see figure 1 or 2: 110(1, 2, N)), which can be a set-top box, DVR, personal video record, a gaming system, etc. (*Thukral*, paragraph 0023).

Ad Center defined in claim 1 and further elaborated in Claim 2 by the Applicants is also uniquely different from Ad Manager disclosed by *Thukral*. As pointed out by the examiner, *Thukral* does not disclose users' personal and local attributes, a repository unit for storing user information and ad agency or advertiser information, transmit users' local and personal attributes, users' user ad searches and follow-up requests, and software and firmware updates, where users can follow-up and search for additional ad information.

Though *Ogawa* discloses a repository unit for storing user information, as pointed out by the Examiner, *Ogawa's* disclosed system and the repository unit does not have local attributes and user follow-up and search processes. Additionally, the system and methods disclosed by *Ogawa* is for personalized ad printing via cable network and connected printers to set-top boxes, which is different from the result expected of *Thukral* and also the Applicants' system. While *Ogawa* has a stand-alone user profile database 6, that is not the same as having an Ad Center including a repository unit, as recited in claims 11 and 18. *Ogawa* shows Ad Servers 2a and 2b, which are distinctly separate from the use profile database 6. Accordingly, *Ogawa* teaches away from the claimed features and is, therefore, incongruously combined with *Thukral*. There is no way for the document printing system of *Ogawa* to interact with *Thukral's* to provide an Ad Center that includes a repository which stores user information and ad agency or advertiser information.

The Office Action does acknowledge that *Thukral* in view of *Ogawa* does not disclose analyzing ad agencies and advertisers; user and follow-up requests; and software and firmware upgrades; whereas users can follow-up and search for additional ad information. However, it cites *Blasko* as disclosing a similar art in ad agencies and advertisers' analysis. A detailed review of the referenced paragraphs (0016, 0028-0031, 0039, 0044, 0051) in *Blasko* indicates that the analysis described by *Blasko* is for interactions with the advertiser with various analyses regarding advertising opportunities with the network (paragraph 0016). In other words *Blasko* (i) analyzes the network for advertising opportunities (ii) based on available inventory and pricing to (iii) provide options to the advertiser (also known as the user). Claims 11 and 18 recite (i) analyzing ads, ad agencies, advertisers' and user info and to select personalized and localized ad content for each ICM. Claims 11 and 18 further recite that the analysis is (ii) based on the ICM's corresponding attributes, that is, the user's personal and local attributes. Finally, claims 11 and 18 (iii) transmits user's personal and local attributes, ad content, programming content, user ad search and follow-up requests, and software and firmware updates. *Blasko* is not analyzing on the same basis or delivering the same result as the claimed invention; it is merely looking at the network to match ads with available slots at the lowest price. The slots in *Blasko* are neighborhoods which may be identified by zip codes for broadcast of ads, whereas the claimed invention is conducting analysis based on individual viewers' ICMs.

With regards to user ad search and follow-up requests, *Sgaraglino's* disclosure of user ad search and follow-up requests is specifically targeted to the field of interactive advertising. There are similarities in ads returned via user requests, for example, modern-day internet scenarios like Price Grabber and other pricing comparison sites. However, an ad interaction application with the claimed system elements (i.e., IC Ms and Ad Center) and methods (claims 18-24) for personalized

and localized ad content delivery to users is uniquely different than simply returning the requested

user information. There is also decision support with expert business rules (claim 17) for proper

determination of the most suitable ad content for a user. *Sgaraglino* does not provide a user ad

search, but rather broadcasts an object to multiple computer users. If a user clicks on the object,

product information will be sent to the user's preselected delivery address. The citation of

Sgaraglino does not explain how user ad search and follow-up requests are part of an ICM and Ad

Center system that (i) analyzes ads, ad agencies, advertisers' and user info (ii) based on

corresponding users' personal and local attributes to (iii) transmit such user ad search and follow-up

requests, as claimed in claims 11 and 18.

Combining *Blasko's* analysis that has an interactive interface to adviser for graphs, charts,

texts, drawings, map, etc. (0031) with *Thukral's* and *Ogawa's* disclosure and *Sgaraglino's* user

interactive ad search would obviously produce an advertiser facing system with TV-based Systems,

Ad Manager, Device Monitor, and a user repository with no local attributes information. The

Applicants are questioning the usability and process or system integration of the simply combined

elements from various patents as suggested in the Office Action, which may not be realized or have

actual reduction to practice.

In addition to the missing element in *Thukral's* system in comparison to ICM and the unique

differences between the claimed Ad Center claimed by the Applicants vs. *Thukral's* Ad Manager

and *Ogawa's* repository unit, the method and result realized in *Thukral's* targeted ad is also very

different from the personalized and localized ad realized via the claimed methods and system

elements by the Applicants. *Thukral's* targeted delivery system is to a targeted adviser group

(paragraph 0017) and determined via a TV-based system's state information like on/off state and

channel tuning information (paragraph 24). With its monitoring and statistics gathering of ad

content delivery, it aims to leverage the real-time state information, which enables the advisor to effectively target subscribers with state based custom advertisements that are likely to be more effective (paragraph 0024).

In comparison, the Applicants disclose a system and methods for more accurately targeted ad content delivery to individual users based on user personal attributes, localized attributes associated with a user, users' search requests, and/or setup of the preferred ad content type she/he would like to view. Additionally, since the ad content can also be stored in ICMs that are coupled with A/V displays, personalized and localized ad content can also be delivered while a user is not connected to the ad center.

Claims 12 to 17 further detail the composition of Ad Center and ICM, combined with the methods claimed in 18 through 25, the claimed system and method produce an integrated process and mechanism for much more accurate ad content delivery to individual users based on their personalized and localized attributes and setup.

CONCLUSION

In view of the foregoing, Applicants respectfully request that the remaining objections to the claims be withdrawn, that pending claims 11-25 be allowed, and that the case proceed to early issuance of Letters Patent in due course.

It is believed that no additional fees or charges are currently due.

Respectfully submitted,

By: .____/EHK/____.

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